

**ANNUAL USE OF CAPITAL SURVEY - 2009****NAME OF INSTITUTION**

(Include Holding Company Where Applicable)

Bank of America Corporation

Person to be contacted regarding this report:	Mark Linsz, Corporate Treasurer
CPP Funds Received:	\$45,000,000,000
CPP Funds Repaid to Date:	\$45,000,000,000
Date Funded (first funding):	10/28/2008
Date Repaid <sup>1</sup> :	12/9/2009

RSSD: (For Bank Holding Companies)	1073757
Holding Company Docket Number: (For Thrift Holding Companies)	
FDIC Certificate Number: (For Depository Institutions)	
City:	Charlotte
State:	North Carolina

<sup>1</sup>If repayment was incremental, please enter the most recent repayment date.

*American taxpayers are quite interested in knowing how banks have used the money that Treasury has invested under the Capital Purchase Program (CPP). To answer that question, Treasury is seeking responses that describe generally how the CPP investment has affected the operation of your business. We understand that once received, the cash associated with TARP funding is indistinguishable from other cash sources, unless the funds were segregated, and therefore it may not be feasible to identify precisely how the CPP investment was deployed or how many CPP dollars were allocated to each use. Nevertheless, we ask you to provide as much information as you can about how you have used the capital Treasury has provided, and how your uses of that capital have changed over time. Treasury will be pairing this survey with a summary of certain balance sheet and other financial data from your institution's regulatory filings, so to the extent you find it helpful to do so, please feel free to refer to your institution's quarterly call reports to illustrate your answers. This is your opportunity to speak to the taxpayers in your own words, which will be posted on our website.*

What specific ways did your institution utilize CPP capital? Check all that apply and elaborate as appropriate, especially if the uses have shifted over time. Your responses should reflect actions taken over the past year (or for the portion of the year in which CPP funds were outstanding).

<input checked="" type="checkbox"/> Increase lending or reduce lending less than otherwise would have occurred.	Bank of America maintained lending to its credit-worthy customers through the severe economic recession. During 2009, Bank of America extended more than \$758 billion in credit to consumer and commercial clients, which works out to about \$3 billion in lending per business day.
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<input checked="" type="checkbox"/>	To the extent the funds supported increased lending, please describe the major type of loans, if possible (residential mortgage loans, commercial mortgage loans, small business loans, etc.).	Bank of America extended more than \$430 billion in consumer loans in 2009, including first mortgages, home equity loans, credit cards and other consumer loans. Bank of America extended more than \$16 billion to small- and medium-business clients and \$310 billion to large commercial clients.
<input type="checkbox"/>	Increase securities purchased (ABS, MBS, etc.).	
<input type="checkbox"/>	Make other investments	
<input checked="" type="checkbox"/>	Increase reserves for non-performing assets	Bank of America increased its allowance for loan and lease losses by \$14 billion from December 31, 2008 to December 31, 2009.

✕	Reduce borrowings	<p>After adjusting for Merrill Lynch outstanding debt added through the acquisition of Merrill Lynch &amp; Co., Bank of America reduced reliance on both short- and long-term debt during 2009. Debt reduction, along with capital raises, reduced Bank of America's leverage and improved capital ratios.</p>
✕	Increase charge-offs	<p>Bank of America experienced loan and lease net charge-offs of \$34 billion in 2009, an increase of \$18 billion as compared to loan and lease net charge-offs of \$16 billion in 2008.</p>
✕	Purchase another financial institution or purchase assets from another financial institution	<p>Bank of America Corporation purchased Merrill Lynch &amp; Co. on January 1, 2009. The purchase of Merrill Lynch by Bank of America helped to avoid a potential global financial catastrophe that might have occurred if Merrill Lynch had failed following the bankruptcy of Lehman Brothers.</p>
✕	Held as non-leveraged increase to total capital	<p>Bank of America prudently maintained a strong liquidity position through the economic downturn. Strong liquidity was, and continues to be, critical in order to maintain a strong balance sheet and be a source of strength for the credit needs of our consumer and commercial customers.</p>

What actions were you able to avoid because of the capital infusion of CPP funds?

Funds from the Capital Purchase Program enabled Bank of America to continue lending and to avoid reducing access to loans for credit-worthy borrowers. As one of the world's largest financial institutions, we know our actions can have a meaningful impact on the economy, our communities and families everywhere we do business. That is why we are proud to have continued supporting our clients during the economic downturn.

We continue to make every good loan we can to consumer and businesses. In 2009, we extended more than \$758 billion in credit to our customers. That equates to about \$3 billion per business day in 2009. Bank of America extended over \$430 billion in consumer loans including residential mortgages, home equity loans, credit cards, and other unsecured consumer loans. In addition, Bank of America funded approximately \$310 billion to large corporate borrowers and more than \$16 billion to small- and medium-size businesses.

What actions were you able to take that you may not have taken without the capital infusion of CPP funds?

Bank of America Corporation completed the acquisition of Merrill Lynch & Co. on January 1, 2009. The CPP funds provided in late 2008 and early 2009 provided an incremental source of capital that supported the Merrill Lynch acquisition. The acquisition of Merrill Lynch occurred during a time where numerous financial institutions were impacted by the severe credit and capital markets downturn. Bear Stearns, Wachovia, Washington Mutual, Fannie Mae, Freddie Mac, AIG, RBS, Fortis Bank and many others experienced severe financial stress, requiring distressed acquisitions and/or public assistance. Lehman Brothers did ultimately fail, resulting in an acceleration of the downturn into a capital markets financial crisis during the weeks following the Lehman Brothers bankruptcy.

Bank of America's acquisition of Merrill Lynch & Co. ensured that another investment bank, one larger than Lehman Brothers, did not follow the same fate. The failure of Merrill Lynch closely on the heels of Lehman's bankruptcy would likely have been disastrous for the global economy, causing the already severe recession to have further escalated into a global financial crisis. The CPP funds provided a capital and liquidity source that supported Bank of America's acquisition of Merrill Lynch, helping to avoid potentially disastrous outcomes for the global economy, including the customers and communities we serve each day.

Bank of America is proud to report repayment, in full, of the \$45 billion of CPP funds, along with over \$7 billion in cash dividends and accretion earned by the U.S. Treasury.

In support of the acquisition and the complete repayment of CPP funds, Bank of America has raised over \$53 billion of private common capital since the beginning of 2009. In the first half of 2009, Bank of America raised \$40 billion of common capital, significantly exceeding the \$34 billion required by the Supervisory Capital Assessment Program. In December 2009, Bank of America raised an additional \$19 billion through the offering of Common Equivalent Securities that subsequently converted to common shares in early 2010.

Please describe any other actions that you were able to undertake with the capital infusion of CPP funds.

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According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 1505-0222. The time required to complete this information collection is estimated to average 80 hours per response.